



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
FEBRUARY 18, 2003

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**INSIDER TRADER WHO REALIZED \$1.3 MILLION IN SCHEME
SENTENCED BY U.S. COURT TO 41 MONTHS IN PRISON**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that MICHAEL A. ROBLES, a certified public accountant based in Dallas, Texas, was sentenced late Friday in Manhattan federal court to 41 months in prison for participating in a massive insider-trading scheme that yielded illegal profits of more than \$1.3 million in 31 different stocks.

This sentence follows ROBLES's October 3, 2002, conviction on insider trading charges. ROBLES was convicted of one count of conspiracy, 9 counts of securities fraud and 4 counts of tender offer fraud, after a three-week jury trial. In addition to imposing a sentence of 41 months in prison, United States District Judge RICHARD M. BERMAN, who presided over ROBLES' trial, also ordered him to pay a fine of \$300,000 and provide 350 hours of community service.

According to the evidence at trial, from 1995 through 1997, ROBLES received inside information from Richard A. Svoboda, a long-time friend who was employed as a credit policy officer at Bank of America, formerly known as NationsBank, N.A. ("Bank of America"). As a credit policy officer, Svoboda was responsible for approving extensions of credit to Bank of America clients and, consequently, learned of confidential information about yet-to-be-announced tender offers and financial results involving Bank of America clients. In violation of Bank of America's policies, Svoboda misappropriated the information, and disclosed it to ROBLES, who traded in advance of the public announcements of tender offers or financial results.

According to the evidence at trial, the information disclosed by Svoboda to ROBLES included approximately 31 different items of inside information, set forth on the attached chart.

In one deal, according to the evidence at trial, Svoboda disclosed inside information about the pending acquisition of Bionaire, Inc. by The Rival Company. ROBLES, knowing that the information had been misappropriated by Svoboda, used the inside information to purchase approximately 125,000 shares of Bionaire common stock at prices ranging from \$.73 to \$.83. After Rival publicly announced that it had commenced a tender offer to purchase the outstanding shares of Bionaire, ROBLES sold his 125,000 shares of Bionaire common stock for

approximately \$1.66 per share, earning illegal profits of approximately \$106,631.

In February 2002, Svoboda pled guilty to conspiracy, securities fraud, and tender offer fraud charges. He was sentenced on November 25, 2002, to one year in prison and ordered to pay a \$100,000 fine.

ROBLES, 49, resides in Dallas, Texas.

Svoboda, 49, resides in Plano, Texas.

Mr. COMEY praised the outstanding investigative efforts of United States Postal Inspection Service, and thanked the United States Securities and Exchange Commission for its exemplary assistance and cooperation.

Mr. COMEY also thanked Bank of America, the successor-entity to NationsBank, which cooperated with the Government in its investigation and prosecution of this matter.

Assistant United States Attorneys STEVEN R. PEIKIN and JASON SABOT are in charge of the prosecution.

03-34

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BANK OF AMERICA CLIENT	TARGET OR OFFEROR	NATURE OF INFORMATION	DATE OF PUBLIC ANNOUNCEMENT
Moorco International	Daniel Industries	Moorco seeks to acquire Daniel	03/07/95
Arkansas Best Corp.	Worldway Corp.	Arkansas Best to acquire Worldway	07/10/95

BANK OF AMERICA CLIENT	TARGET OR OFFEROR	NATURE OF INFORMATION	DATE OF PUBLIC ANNOUNCEMENT
Proffitt's Inc. and Younkers, Inc.	Younkers	Proffitt's to acquire Younkers	10/23/95
NPC International, Inc.	NPC	NPC announces a proposed management buyout of NPC	11/06/95
The Rival Company	Bionaire, Inc.	Rival announces discussions with Bionaire regarding possible acquisition	02/28/96
Ivax Corp.	N/A	Ivax and Bergen Brunswig agree to merge	11/11/96
PCA International, Inc.	American Studios, Inc.	PCA to acquire American Studios	11/25/96
Vencor, Inc.	TheraTx, Inc.	Vencor to acquire TheraTx	02/10/97
Mediq, Inc.	Universal Hospital Services, Inc.	Mediq to acquire Universal Hospital	02/11/97
Vencor	Transitional Hospitals Corp.	Vencor to acquire Transitional Hospitals	05/07/97
Riddell Sports, Inc.	Varsity Spirit Corp.	Riddell Sports to acquire Varsity Spirit	05/06/97
Anthem Insurance Companies, Inc. and Acordia Industries	Acordia	Anthem announces possible acquisition of Acordia	05/20/97

BANK OF AMERICA CLIENT	TARGET OR OFFEROR	NATURE OF INFORMATION	DATE OF PUBLIC ANNOUNCEMENT
Sun Healthcare Group, Inc.	Regency Health Services	Sun Healthcare to acquire Regency	07/27/97
Petsmart, Inc.	N/A	Petsmart announces lower than expected earnings	08/07/97
Pillowtex Corp.	Fieldcrest Cannon, Inc.	Pillowtex to acquire Fieldcrest	09/11/97
Marshall Industries	Sterling Electronics Corp.	Marshall Industries to acquire Sterling Electronics	09/19/97
Suiza Foods Corp.	Morningstar Group, Inc.	Suiza Foods to buy Morningstar	09/29/97
Extendicare, Inc.	Arbor Health Care Company	Extendicare to acquire Arbor	09/30/97
Apria Healthcare Group, Inc.	Transworld HealthCare, Inc.	Transworld submits proposal to acquire Apria Healthcare	10/13/97
Credit Acceptance Corp.	N/A	Credit Acceptance announces a net loss of \$27.7 million for the quarter	10/22/97
Kevco, Inc.	Shelter Components Corp.	Kevco to acquire Shelter Components	10/22/97

BANK OF AMERICA CLIENT	TARGET OR OFFEROR	NATURE OF INFORMATION	DATE OF PUBLIC ANNOUNCEMENT
Dal-Tile International, Inc.	N/A	Dal-Tile announces operating loss of \$10.6 million before charges and a reported loss of \$81.0 after taking into account previously announced charges.	11/05/97
MascoTech, Inc.	TriMas Corp.	MascoTech to acquire TriMas	12/11/97
Heilig-Meyers Company	N/A	Heilig-Meyers reports third quarter net loss of \$49.1 million	12/17/97
O'Reilly Automotive, Inc.	Hi-Lo Automotive, Inc.	O'Reilly Automotive to acquire Hi-Lo Automotive	12/23/97